

SPECIAL USE PERMIT

Permission is hereby granted to **NORTHWEST HELICOPTERS** of 7822 Highway 99 SE, Olympia, Washington 98501, hereinafter referred to as Permittee, to use, subject to the conditions set out below, the following described lands:

HELICOPTER SERVICE SITE:

Located in that portion of Government Lot 2 of Section 16, Township 45 North, Range 5 East, Boise Meridian, Shoshone County, State of Idaho, located between the southerly boundary of FHWA Forest Highway 50 and the northerly bank of the St. Joe River, as more particularly shown on Exhibit "A" attached hereto and make a part hereof.

This permit is issued for the purpose of a helicopter service site upon lands that are owned by **POTLATCH CORPORATION**.

1. This permit is non-transferable.
2. This permit expires on **DECEMBER 31, 2000**

At the termination of this permit, unless extended, all rights granted hereby shall cease without notice of affirmative action on the part of Potlatch Corporation and exclusive use and possession of said lands shall immediately rest in Potlatch Corporation.

3. This permit is subject to all valid rights existing on this date.
4. Prior to the start of operations, the Permittee and Permittee shall meet on site with Potlatch Corporation's Representative-In-Charge for approval of the landing site.
5. In the process of exercising this permit, Permittee's operation shall not interfere with, hinder or delay any operations of Potlatch Corporation, its Contractors, or Assigns.
6. Permittee shall be responsible for acquiring all **PERMITS** and **SLASH COMPLIANCES** necessary to exercise the privileges granted by this permit.
7. Permittee shall be required to manufacture, deck and deliver to St. Maries all merchantable right-of-way timber removed from land owned by Potlatch Corporation as directed by Potlatch Corporation's Representative-In-Charge.

USEPA SF

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8. Permittee agrees to store all fuel in a manner that meets all State and/or Federal fuel storage requirements. All structures or excavations necessary to meet these requirements will be installed, maintained and removed/reclaimed at the sole expense of the Permittee.
9. Permittee agrees to dispose of all slash associated with the construction and operations of the service landing.
10. Permittee agrees to reclaim and rehabilitate landings and associated roads as directed by Potlatch Corporation's Representative-In-Charge.
11. Use of lands under authority of this permit shall be subject to control by Potlatch Corporation except that they shall be open at all times to use by the Permittee as provided herein.
12. Permittee agrees, for the duration of this permit to pay for or perform maintenance, proportional to use, on said sites and associated roads as per directions of Potlatch Corporation's Representative-In-Charge.
13. Permittee shall fully repair all damages, other than ordinary wear and tear, to sites and associated roads caused by the Permittee in the exercise of the privileges granted by this permit.
14. In the exercise of the use permitted hereby, Permittee shall comply with all federal, state and local laws (statutes, ordinances, rules, regulations, etc.), including but not limited to, all laws pertaining to forest practices, environmental protection and safety. Permittee shall indemnify, hold harmless, and defend Potlatch Corporation from and against all liability, claims damages, losses and expenses (including attorney's fees) on account of Permittee's failure to comply with any applicable law.

Specifically, Permittee shall cause erosion control to be conducted pursuant to the Idaho Forest Practices Act during each operation season and upon the conclusion of Permittee's use of this permit.
15. Permittee shall take all practical means to prevent forest fires and will not allow disposal of material by burning in open fires during the closed fire season established by law without a written permit from the proper fire protection agency.
16. Permittee agrees that it will indemnify, hold harmless and defend Potlatch Corporation from and against all liability, claims, damages, losses and expenses (including attorney fees) on account of injury to or death of any person or

damage to or destruction of any property arising out of the use of the permitted premises or the activities of the Permittee thereon. In order to perform the forgoing, Permittee shall, at its own expense and at all times, procure and keep in force comprehensive general liability insurance protecting Permittee and Potlatch Corporation, as an additional named insured, from claims for damages in limits of not less than \$500,000 for any one person and \$500,000 for property damage, and \$1,000,000 aggregate combined single limit.

Prior to use of this permit Permittee shall provide Potlatch Corporation certificates of insurance showing the Permittee has procured and is maintaining all of the insurance described above. Such certificates of insurance shall provide that Potlatch Corporation shall be notified at least twenty (20) days in advance of any modification or cancellation of any policy.


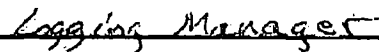
17. This permit may be terminated upon breach of any of the conditions herein.

POTLATCH CORPORATION


Kevin M. McHail
Resource Area Manager

The exercise of any of the privileges granted hereby constitutes acceptance of all conditions of this permit.

NORTHWEST HELICOPTERS

By: 
Title: 

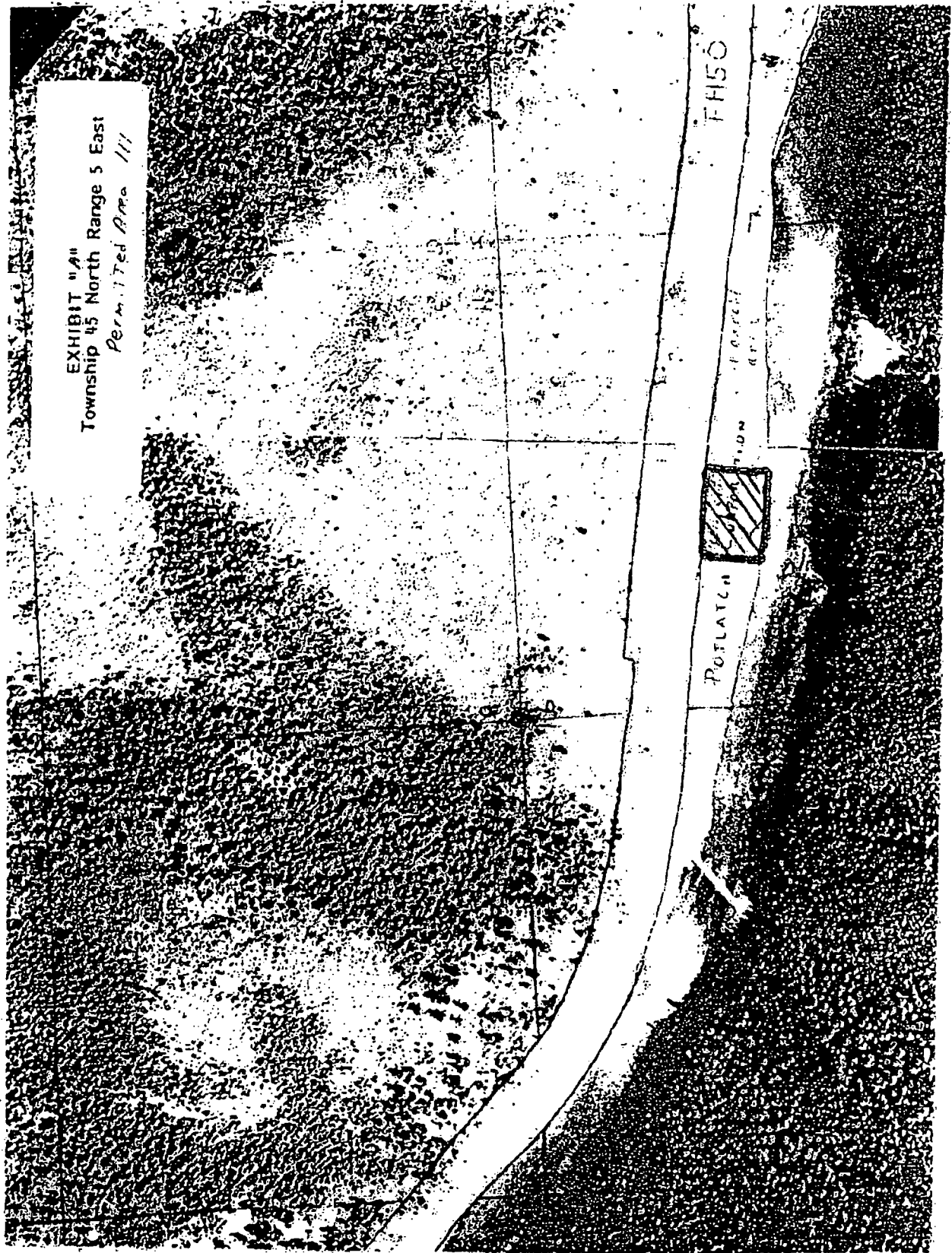


EXHIBIT "A"
Township 45 North Range 5 East
Permitted Area III